

## **Bowling Green State University Foundation, Inc. Gift Acceptance, Counting, and Reporting Policy**

### ***Policy Statement***

Under the leadership of the Vice President for University Advancement/President & CEO of the Bowling Green State University Foundation, Inc. (hereinafter referred to as “Foundation President”), the Office of University Advancement plans, manages, and implements an organized program for obtaining current and deferred gifts from alumni, friends, faculty and staff, corporations, organizations, and private foundations, on both an annual and long-term basis. All Bowling Green State University (hereinafter referred to as the “University”) fundraising efforts are first reviewed and approved by the Foundation President and/or their designee to ensure University priorities are met and that prospects are solicited in a coordinated manner consistent with the quality and integrity appropriate to the University, and in accordance with professional standards. All staff supporting the Foundation are University employees.

All private contributions made for the benefit of the University are received and managed by the Bowling Green State University Foundation, Inc. (hereinafter referred to as the “Foundation”), a Code Section 501(c)(3) public charity and nonprofit organization authorized by the University Board of Trustees in 1956. References throughout this policy to the “institution” also mean the Foundation, not the University. The Foundation Board of Directors, comprised of individuals from throughout the United States, provides oversight for the management, investment, and spending of Foundation funds. The alumni/donor database maintained by the Foundation is the official system of record for all charitable contributions to the Foundation in support of the University. The Foundation provides stewardship of a gift through accurate and timely booking, receipting and reporting to the donor relevant financial information about how the funds were used, as defined in this policy.

All contributions to the Foundation must meet the requirements for acceptance, use, and administration of gifts before being accepted as a gift to ensure compatibility with the [mission](#), operation, and goals of the University and its units. The Office of University Advancement, acting on behalf of the Foundation, adheres strictly to the requirements of the applicable federal and State of Ohio statutes and regulations, as well as professional standards of the Council for Advancement and Support of Education (“CASE”) in the valuation, reporting, handling, and disposition of gifts received. The Foundation authorizes the Gift Acceptance Committee (as described in Section V.) to review and determine the acceptance and refusal of any gift that may not meet the requirements, as stated above, or compromises the Foundation’s mission, values, code of regulations, and/or its financial well-being. The Gift Acceptance Committee will also review and determine if advice of professional counsel is needed when issues related to the appropriate handling or treatment of a gift are involved.

It is important to clarify the distinction between financial accounting, which underlies the financial reporting of gifts following accounting principles generally accepted in the United States (“US GAAP”) established by the Financial Accounting Standards Board (“FASB”), and Advancement reporting, which is a measure of fundraising activity in accordance with standards set forth by CASE and approved by the Foundation President. This Gift Acceptance, Counting and Reporting Policy focuses on Advancement reporting, not financial accounting and reporting.

## *Policy*

### **I. Definitions**

- A. **Gift:** Also referred to as a charitable contribution or donation, CASE Global Reporting Standards, 1<sup>st</sup> Edition, page 18, defines a gift as a voluntary contribution received by an institution for either unrestricted or restricted use in the furtherance of the institution and for which the institution has made no commitment of resources or services other than, possibly, committing to use the gift as the donor specifies. The contribution is a nonreciprocal transfer, in that there is no implicit or explicit statement of exchange, purchase of services, or provision of exclusive information. If the donor receives benefits in return for the contribution, the true value of the gift is the amount over and above the fair market value of any benefits received.
- B. **Pledge:** Also referred to as a commitment, CASE Global Reporting Standards, 1<sup>st</sup> Edition, page 19, defines pledges as commitments to make future gifts. Only the entity exercising legal control over the assets to be given can make a pledge.
- C. **Planned gift:** Also referred to as legacy gift or deferred gift, a commitment to use financial and/or estate planning vehicles to establish future giving to an organization. These commitments may be revocable or irrevocable depending upon the tool used.
- D. **Outright gift:** A gift made to the Foundation that was not part of a pledge or planned gift.
- E. **Donor:** An individual or organization who makes a gift or pledge to the Foundation.
- F. **Hard credit:** Recognition given to the legal donor of the gift or commitment. Gifts will only have one hard credit donor.
- G. **Soft credit:** Internal recognition given to other donors associated with a gift or commitment. While only one donor will receive hard credit, multiple donors may be given soft credit following Foundation guidelines.

### **II. Qualification and Registration**

- A. The Foundation is a nonprofit organization as described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). Thus, the Foundation qualifies under both federal and state law as a tax-exempt non-profit organization in which charitable contributions are generally deductible for income, gift, and estate tax purposes. Donors are encouraged to consult their tax advisors regarding the tax implications of any donation.
- B. The Foundation’s federal tax identification number is 34-6007199.

### **III. Gift Solicitation**

- A. The Office of University Advancement is responsible for the coordination of all gift solicitations made by the Foundation and/or University faculty and staff to ensure gifts are solicited for an approved University priority and are done with consistent quality and professional standards.
- B. Plans to solicit funds from private sources (i.e. individuals, foundations, businesses, corporations, or organizations) in the name of the University are to be submitted in writing for review first by the appropriate department chairs, directors and/or college deans or division vice presidents, and then by the Office of University Advancement. If deliverables, right of recourse, or barriers to realization beyond a final report are anticipated, the Office of Sponsored Programs and Research (OSPR) will be consulted to determine next steps for solicitation.
- C. When requested by the OSPR, the Office of University Advancement will determine if collaboration in the preparation of a grant proposal to a corporation or foundation could assist in securing a grant. Additionally, the Office of University Advancement should be notified by the appropriate University unit in advance of the submission of any private sector grant proposal that has no deliverables, right of recourse or barriers to realization.

### **IV. Gift Acceptance**

- A. Gifts must be compatible with the mission, operations, and goals of the University and its units.
- B. The Foundation will make every effort to accommodate and accept all charitable contributions from donors. However, it will not accept gifts that, in the judgment of the Foundation and/or University:
  - 1. Violate the terms of this policy;
  - 2. Violate a federal, state, or other law;
  - 3. Are too difficult or too expensive to administer;
  - 4. Were acquired by other than legal means, or that clear title to the donated asset does not flow directly from the donor to the Foundation;
  - 5. Are too restrictive in purpose, or compromise the academic freedom of the University;
  - 6. Could create unacceptable risk or cause the University to incur future unanticipated or anticipated expense (including significant amounts of unrelated business income);
  - 7. Are for purposes that do not further, or add value to, the University's mission;
  - 8. Could damage the reputation of the University, or are contrary to the University's values;
  - 9. Are from state or federal agencies;
  - 10. Would jeopardize the Foundation's tax-exempt status; or
  - 11. Provide a donor with goods or services of financial value in exchange for the donor's gift, unless such value is fully disclosed in the time and manner as required under federal and state law and regulations.

- C. If there is any concern that a gift would not be able to be accepted because of any of the conditions listed in Section IV.B, the Development Officer working with the donor(s), in consultation with the Assistant Vice President of Development, will seek input from the Foundation President. If deemed necessary, the gift will be presented by the Foundation President to the Gift Acceptance Committee for a final decision on acceptance. The committee will seek the advice of legal counsel when appropriate.
- D. If after the acceptance of a gift, the Foundation and/or University acquires new information indicating that the gift might no longer be able to be accepted based on the conditions listed in Section IV.B, the Foundation President, in consultation with the President of the University and the Gift Acceptance Committee, should re-evaluate the gift and determine appropriate next steps. Those next steps may include, but are not limited too, the revocation of any naming opportunities granted as a result of the gift, removal of any and all gift recognition, and/or the return of the gift. The advice of legal counsel will be sought in these situations.

## **V. Gift Acceptance Committee**

- A. The Gift Acceptance Committee is responsible for reviewing gifts and commitments received by the Foundation that may not meet the requirements and qualifications for acceptance as described in Section IV of this policy.
- B. Gifts in question will be brought to the committee by the Foundation President as needed.
- C. The committee is comprised of the following positions within the Foundation and University.
  - 1. Foundation President
  - 2. Chair of the Foundation Board or their designee
  - 3. Assistant Vice President for Development
  - 4. Assistant Vice President for Advancement Services
  - 5. Executive Director of Donor Relations and Stewardship
  - 6. Chief Financial Officer of the University or their designee
  - 7. Provost of the University or their designee
  - 8. Academic/Unit representative, as needed based on the gift in question

## **VI. Gift Designation and Restrictions**

- A. The Foundation accepts both unrestricted and restricted gifts.
  - 1. Unrestricted gifts are those by which the donor does not designate a specific restriction that would limit the gift's use. These gifts will be used by the Foundation to help meet the current priorities of the University.
  - 2. Restricted gifts are those by which the donor designates a specific restriction that limits the gift's use with appropriate documentation (see Article VII for information about gift agreements). Acceptance of a restricted gift creates an obligation to comply with the terms established by the donor.

- a. The Foundation will add this restricted gift to an existing fund with the same purpose, or create a new fund as appropriate (refer to the Naming Policies and Funding Levels document for more information about minimum funding levels).
  - b. A donor may designate both the University area (e.g. college, school, department, program, etc.) and a purpose (e.g., scholarship, fellowship, professorship, etc.) for which the gift is to be used.
  - c. If a specific University area is designated but not a specific purpose, the gift will be added to the University area's general gift fund.
  - d. If the original designation and/or restriction associated with the gift ceases to exist, the Office of University Advancement will consult the donor to determine the best use of the fund under the changed circumstances. If the donor is not available, the Gift Acceptance Committee may modify the terms of this agreement and, following the guidelines set forth in the Uniform Prudent Management of Institutional Funds Act ("UPMIFA"), reallocate the funds for a purpose consistent with the original intent of the donor.
3. The Foundation maintains an account to hold gifts pending designation by the donor or pending the setup of a fund as requested by the donor. Gifts held in this account will be reviewed each month by the Office of University Advancement and the Director of Foundation Accounting, and should not remain in this fund for longer than 180 days. In conversation with the donor, any gift that has exceeded 180 days will be treated as an unrestricted gift. The Foundation President shall have the authority to extend the time period a gift can remain in the holding fund based upon extenuating circumstances.

## **VII. Gift Agreements**

- A. Establishing New Restricted Funds or Naming Opportunities: A gift agreement documents the mutual understanding between a donor and the Foundation in relation to the donor's charitable contribution. A documented gift agreement is required for all multi-year commitments and outright gifts that will establish a new restricted fund or result in a naming opportunity (refer to the Naming Policies and Funding Levels document). Examples include, but are not limited to: endowed funds; named physical spaces (e.g., buildings, facility, or portion thereof); and named academic units, programs, centers, or leadership positions.
  1. The terms of any gift should clearly state the intent of the donor, while providing flexibility to permit the most productive use of the funds over time.
  2. Information appearing in a gift agreement includes, but is not limited to: the dollar amount of the charitable gift/pledge; the title, purpose, use, administration of the fund, and any restrictions; pledge payment schedule; recognition; and any other requirements or obligations agreed upon by the donor and the Foundation.

- B. Gifts/Pledges of \$25,000 or more to Existing Unrestricted or Restricted Funds: If not documented by a formal gift agreement a signed letter of intent or Foundation gift/pledge form is generally sufficient documentation in these cases. When adding to an existing fund, no additional specifications can be made on how the money will be spent without a formal amendment to the fund agreement.
- C. Gifts/Pledges Less than \$25,000 to Existing Unrestricted or Restricted Funds: A Foundation gift/pledge form or signed letter of intent is sufficient documentation; no formal gift agreement is needed for gifts at this level.
- D. The Foundation President, in consultation with the President of the University and legal counsel when necessary, will make final decisions on all questions related to Foundation gift agreements.

### **VIII. Gift Types**

- A. The Foundation will accept gifts in the following forms.
  - 1. **Cash Gifts**
    - a. In addition to hard currency, checks (made payable to “BGSU Foundation, Inc.”), credit cards, wire transfers, and payroll deductions are considered cash gifts.
    - b. Cash gifts are credited to the donor’s giving record at face value.
      - i. Cash may be delivered in person, by mail, by electronic funds transfer (EFT), or by wire transfer.
      - ii. The date a cash gift is physically transferred to a representative of the Foundation is the date the Foundation took possession of the gift; the date the cash is recorded by the Gift Processing Department is the receipt date.
      - iii. Gifts of foreign currency may be accepted on a case-by-case basis and will be valued at the U.S. dollar equivalent on the date the gift is received. Due to currency exchange costs involved with processing these transactions, the Foundation may request that a donor outside the U.S, make their gift in U.S. dollars.
    - c. University payroll deductions can be set up through the Office of Advancement Services.
    - d. Recurring credit card payments can be set up online or through the Office of Advancement Services.
    - e. Prior authorization must be sought through the Office of Advancement Services before any gift or pledge payment in excess of \$50,000 will be made by credit card.
  - 2. **Marketable Securities (Stocks and Bonds)**
    - a. The Treasury Office works with the Office of Advancement Services on the acceptance of all gifts of marketable securities.
    - b. The gift will be valued by using an average of the high and low trading price on the date that the asset is received by the Foundation.
    - c. Gifts of marketable securities will be sold as expeditiously as possible to reduce the impact of any gain or loss on the transaction.
    - d. The Gift Processing Department will issue a gift receipt reflecting the number of shares received, the date the gift was received, a description of

the securities received, as well as the designation of the gift. It is the donor's responsibility to secure the appropriate valuation of the gift for their own tax purposes, however gift receipts may include a dollar value explaining how the Foundation valued the gift for recognition purposes.

- e. Gifts of mutual fund shares are also accepted. Transfers of this type may take longer to complete, and the date of the gift will be determined by the date of receipt by the Foundation.
- f. When a stock gift is submitted to complete payment on a documented commitment, any gift value in excess of that commitment will be allocated to the same purpose and booked as an outright gift. If the gift value is less than the commitment, a determination will be made to either ask the donor to make an additional gift in the amount of the difference or to write off the remainder of the commitment based upon the size of the remainder.
- g. If securities shares appear in the Foundation's accounts without attribution, every reasonable effort will be made to trace the transfer to a donor. In rare cases when a donor cannot be identified within 30 working days, the gift will be recorded as anonymous and undesignated.

3. **Non-marketable or Closely Held Securities**

- a. These securities include: partnerships, limited partnerships, limited liability companies, closely held companies, stock of entities that fall under SEC Rule 144, legend stock or bonds of entities that are thinly traded, and stock of entities held for sale at the request of a donor.
- b. The University's Chief Financial Officer (CFO) and the Controller, in consultation with the Foundation President and the Senior Director of Gift Planning, coordinates acceptance of all gifts of non-marketable or closely held securities and should be notified prior to the acceptance of any such gifts. Because of the unique nature of these securities, special due diligence review will be required prior to acceptance.
- c. The value of these securities, as reported by the Gift Processing Department will be determined based on the fair market value of the securities on the date of gift using an appraisal or alternative method of valuation acceptable to the Foundation President and the CFO.
- d. It is the donor's responsibility to secure the appropriate valuation of the gift for their own tax purposes.

4. **Virtual Currencies**

- a. At the time of this policy's approval, the Foundation is not in a position to accept or facilitate gifts of cryptocurrency. Efforts to establish this giving opportunity will be reviewed for future consideration.

5. **Real Estate**

- a. Real estate (also referred to as property) is land, its natural resources, and any permanent buildings on it. Real estate becomes a gift to the Foundation when a transfer of ownership has taken place. This occurs when the item(s) of property or clear title to the property has been delivered to the Foundation. In no case should a deed be transferred in the name of the Foundation prior to approval by the Gift Acceptance Committee, followed by the Executive Committee of the Foundation Board.

- b. At the time of this policy's approval, the Foundation may only accept a gift of real estate if the University has a current or future plan for the use of the property.
  - c. Prior to acceptance of a gift of real estate, the gift must be reviewed by the Gift Acceptance Committee to ensure its usability and to understand the ramifications of accepting the gift.
    - i. Real estate accepted by the Foundation should be free of any mortgage or financial lien.
    - ii. Any land use restrictions should be disclosed and understood prior to acceptance
    - iii. Care should be taken with regard to environmental issues that may be associated with the property. The Foundation may commission, at the donor's expense, a Phase I environmental site assessment as part of this process.
    - iv. The donor must provide a copy of an appraisal, obtained at the donor's expense, qualified under the terms of the Internal Revenue Code and Regulations.
  - d. If approved by the Gift Acceptance Committee, the gift must also be presented to the Executive Committee of the Foundation Board for approval before any acceptance may be granted.
  - e. Once accepted, the Foundation will transfer ownership of the property to the University as soon as practicably possible.
6. **Bargain Purchases**
- a. In limited circumstances, the Foundation may purchase an asset for less than its fair market value. This bargain purchase results in a gift to the Foundation from the owner of the property in an amount equal to the difference between the fair market value and the purchase price by the Foundation.
  - b. The Office of University Advancement will coordinate the due diligence review process on bargain purchases in collaboration with the appropriate University offices.
  - c. The Foundation will generally not pay more than 50% of the fair market value of an asset when participating in a bargain purchase.
7. **Gifts of Tangible and Intangible Personal Property (Gifts-in-Kind)**
- a. The Foundation may accept gifts of many types of tangible and intangible personal property. Examples of tangible personal property gifts include, but are not limited to: automobiles, boats, art, jewelry, furniture, antiques, rare books, manuscripts, and lab equipment. Examples of intangible personal property gifts include, but are not limited to: computer software, royalties, patents, and copyrights.
  - b. The Office of University Advancement will coordinate the acceptance of all gifts of tangible and intangible personal property.



## IX. Pledges

- A. The Foundation will accept pledges, or future gift commitments, from individual donors and organizations.
1. Pledges must meet all of the gift acceptance criteria described in this document and be accompanied by appropriate documentation regarding the future gift designation, payment schedule, and anticipated payment method (refer to Section VII).
  2. Pledge payment periods may extend up to five consecutive years, with the first payment scheduled within one year of the date of the gift agreement's execution. Any deviation from this schedule must be approved by the Foundation President.
  3. Pledges from individual donors that may be paid in full or part through a donor-advised fund must be written in the form of a non-binding statement of intent in accordance with the tax laws pertaining to donor-advised funds.
  4. Types of pledges accepted by the Foundation include:
    - a. **Booked Pledges:** These unconditional promises to pay may span one or more years, are accompanied by a signed gift agreement or other appropriate documentation, and the donor has verified that they will not be making payments using a donor-advised fund.
    - b. **Non-binding Intents:** These agreements may span one or more years, are accompanied by a signed gift agreement or other appropriate documentation, and the donor has indicated there is the possibility that one or more of the payments may be made using a donor-advised fund, or the gift agreement includes conditional language. These pledges will be recorded in the Foundation's system of record for counting purposes but will not be considered legally binding commitments from the donors.
    - c. **Annual Pledges:** These pledges are typically received in response to solicitations by the Office of Annual Giving (via mail, email, or through the student calling program) and indicate the donor's intention to make a gift during the current fiscal year. Annual pledges do not need a signed gift agreement, but do need documented evidence of the commitment either verbally (via phone conversations) or through an appeal return.
  5. Corporate matching gifts cannot be applied as pledge payments to an individual's personal pledge commitment (as described in Section X.).

- B. Overdue or missed pledge payments will be reviewed on a regular basis by the Office of Advancement Services and the Director of Foundation Accounting.
  - 1. Booked Pledges and Non-binding Intents that have overdue or missed payments will be reviewed on a semi-annual basis. During the review, Booked Pledges and Non-binding Intents that are more than three months past their expected due date will be evaluated by the Office of Advancement Services and the Development Officer assigned to the donor. Development Officers will be given an additional three months to either secure the payment or documentation from the donor adjusting the payment schedule. Any missed payment that has not been paid or adjusted after the provided time period will be discussed with the Controller, then written-off. Exceptions may be made by the Assistant Vice President for Advancement Services.
  - 2. Payments on phonathon or other annual giving pledges that are overdue or missed will be reviewed on a semi-annual basis. These payments will be written-off and, if no previous gifts were received by the donor in the fiscal year, they will be considered a non-donor for that year. Exceptions may be made by the Assistant Vice President for Advancement Services.
- C. If a donor passes away prior to completing their pledge to the Foundation, their pledge will be reviewed by the Office of Advancement Services and the Development Officer assigned to the donor. The Development Officer will work with the family of the deceased to determine the resolution of the pledge: fulfilled through the donor's estate, taken on by another family member, or written-off.
  - 1. If fulfilled through the donor's estate, the Development Officer should work with the executor to determine a new timeline for any future payments and work with the Office of Advancement Services and the Gift Processing Department to adjust the pledge accordingly. If the pledge will be completed in the current fiscal year, it will remain open until the payment is received. If the pledge will not be completed until a future fiscal year, it will be written off and a new Bequest Intention (as described in Section XII.5) will be entered for the outstanding pledge balance. The Foundation President shall have the authority to make exceptions as needed for extenuating circumstances.
  - 2. If the pledge will be taken on by another family member, the existing pledge should be written off and a new pledge, documented through a pledge agreement signed by the new donor, will be recorded. If the Development Officer is unable to secure new, signed documentation then the pledge type will be revised as a Non-Binding Intent.

## **X. Employer-sponsored Matching Gifts**

- A. A matching gift may be received from a company, company-funded foundation, or a third party organization contracted by the company, matching a gift given to the Foundation by an employee, retired employee, a director of the company, or sometimes the spouse of the employed individual.

- B. Matching gifts will be designated to the same fund(s) in University Advancement's database of record as the original gift, unless restricted by the matching organization.
- C. Matching gifts cannot be entered as a payment on a personal pledge made by an individual, as the funds are not under direct control of the donor.

## **XI. Donor-Advised Funds**

- A. Donor-advised funds (DAFs) are philanthropic vehicles established at public charities that allow donors to make charitable contributions, receive immediate tax benefits, and then recommend grants from the funds over time.
- B. Gifts to the Foundation from DAFs are typically accepted in the form of checks or electronic fund transfers and processed accordingly.
- C. No gift receipt will be issued to the individual who recommended a University gift to the DAF; however, the individual's giving record will be soft credited with the value of the gift and acknowledged, as appropriate.

## **XII. Planned Gifts**

- A. Planned gifts will be received by the Foundation at some point in the future. These gifts are either irrevocable and cannot be changed by the donor once the gift is made, or revocable and can be changed by the donor at any time. The Office of Gift Planning oversees the Foundation's planned giving programs, including the creation of life income gifts, in consultation with the Gift Processing Department. The Office of Gift Planning is also responsible for due diligence review with respect to all planned gifts, and for developing guidelines on how planned gifts will be counted and recognized in the University Advancement database of record. A range of planned giving options are available through the Foundation. The Office of Gift Planning is responsible for setting minimum values and ages as well as other requirements associated with the creation of a planned gift.

### **1. Charitable Gift Annuities**

- a. A charitable gift annuity provides fixed payments to one or two annuitants for life in exchange for a gift of cash or securities to the Foundation. The payments are backed by the general resources of the Foundation. Upon the death of the annuitant(s), the residuum of the annuity will be used by the Foundation as directed by the donor.
- b. The Foundation may accept charitable gift annuities, in compliance with certain legal requirements and other considerations.
- c. The Foundation sets required gift minimums to establish gift annuities.
- d. The Foundation will follow the gift annuity rates suggested by the American Council on Gift Annuities (ACGA). However, for ages where the suggested ACGA rate is significantly higher than the rate of return on the Foundation's gift annuity pool, donors may be asked to accept a rate lower than the suggested ACGA rate in order to maximize the residuum.

### **2. Charitable Remainder Trusts**

- a. A charitable remainder trust provides payments for either the life of the beneficiary or for a set period of time. The trust payments are either the same amount each year for a charitable remainder annuity trust, or will fluctuate from year to year for a charitable remainder unitrust based on the value of the trust's assets. When the trust term ends, its remaining assets are transferred to the Foundation for use as directed by the donor.

- b. The Foundation may accept gifts of a remainder interest in charitable remainder trusts.
  - c. The Foundation may serve as trustee of a charitable remainder trust, provided it is named as a beneficiary of at least 50 percent of the remainder, and that the Foundation's required minimum value of the trust is met.
- 3. **Charitable Lead Trusts**
  - a. A charitable lead trust provides annual payments to the Foundation over a set period of time. The remaining trust assets are transferred at the end of the trust term to the donor or whomever the donor chooses.
  - b. The Foundation may accept designation as the beneficiary of a charitable lead trust.
  - c. Due to the potential for liability, the Foundation may accept an appointment as trustee of a charitable lead trust only upon review of all relevant circumstances and approval by the Foundation President, in consultation with legal counsel as needed.
- 4. **Life Insurance**
  - a. The Foundation may accept a designation as beneficiary or owner of a life insurance policy.
  - b. The Foundation will not accept policies where the Foundation is obligated to make any future premium payments unless the donor commits to making annual gifts to cover such payments and/or understands that the Foundation may unilaterally exercise its right to surrender the policy for its cash surrender value.
  - c. The Foundation sets required face value minimums on life insurance policies.
- 5. **Bequest Intentions**
  - a. The Foundation will accept and retain documentation of bequest intentions regardless of revocability or the age of the donor.
- B. Undesignated planned gifts will be reviewed for potential designation by the Foundation President, in consultation with the University President, to best advance the priorities of the University.

### **XIII. Gift Entry Receipts**

- A. All philanthropic commitments to the Foundation must be processed by and credited to the donor through the University Advancement gift processing and data management system.
- B. Current IRS regulations require the Foundation to issue a written receipt to every donor who makes a gift valued at \$250 or more. The Gift Processing Department will provide donors to the Foundation a gift receipt prepared in accordance with applicable government requirements. No other Foundation or University department/unit should issue a gift receipt without consent and guidance from the Gift Processing Department. The receipt shall include the following information:
  - 1. Name of the Foundation
  - 2. The amount of the contribution (if cash) or a description (but not value) of non-cash contributions
  - 3. A statement that no goods or services were provided by the Foundation in return for the contribution, if that was the case

4. A description and good faith estimate of the value of goods or services, if any, that the Foundation provided in return for the contribution
- C. Gift Processing must have the following information to record a gift and issue a receipt:
  1. Name of the donor(s)
  2. Address of the donor(s)
  3. Date of the gift
  4. Description of the gift property

#### **XIV. Gifts from BGSU Faculty and Staff**

- A. The Foundation appreciates gifts from University faculty and staff members. However, the donor must not personally benefit from or control the use of the funds. As such, University faculty and staff members cannot designate a gift to a fund from which they can authorize expenditures for personal benefit, or in such cases where the fund:
  1. Supports their salary;
  2. Pays for consumer goods to be used by them;
  3. Pays for their research, or other professional activities;
  4. Pays for their travel; or
  5. Provides them scholarship or fellowship assistance.

#### **XV. Anonymous Gifts**

- A. A donor's record and/or the gift record may be marked anonymous upon request by the donor. Anonymity of a gift will be granted for a donor who wishes to protect his or her privacy connected to charitable giving. However, these donors are not anonymous to Foundation and University leadership.
- B. In addition, a gift might be marked temporarily anonymous until such time as it is publicly announced or recognized, as requested by the donor.
- C. In some cases, due to Federal and Ohio Sunshine laws, the Foundation may be required to release donor information, regardless of the donor's wishes for anonymity. The Foundation President will consult legal counsel before such a release is made.

#### **XVI. Providing Legal or Financial Advice**

- A. The Foundation and those acting in its interest may not provide any tax advice to donors related to gifts to the Foundation.
- B. Neither the Foundation nor those acting in its interest may agree to act as the successor trustee of a living trust or the executor of any will in which the Foundation is named as a beneficiary.
- C. University Advancement staff acting on behalf of the Foundation shall not draft wills or living trusts, other than for their own will or for that of their family member(s), naming the Foundation as a beneficiary, regardless of whether the employee is licensed to practice law.
- D. The Office of Gift Planning may provide donors and their counsel with suggested bequest language or assistance with other language pertaining to gift designation within the Foundation as well as approved form documents for planned gifts such as charitable remainder trusts, charitable lead trusts, and life estates.

- E. Neither the Foundation nor those acting in its interest shall provide or pay for financial planning services for any donor. Prospective donors should be encouraged to seek the assistance of their own financial advisors in matters relating to their gifts and the resulting tax and estate planning consequences.

## **XVII. Gift Counting and Reporting**

### **A. Adherence to Industry Standards**

1. To ensure the highest possible gift crediting and campaign counting integrity, all charitable contributions to the Foundation will be counted and recorded in the University Advancement database of record in accordance with the standards set forth by the Council for Advancement and Support of Education (CASE).

### **B. Types of Gift Reporting**

#### **1. Fiscal Year Cash and New Fundraising Commitments**

- a. Year-to-Date Received and/or New Fundraising Commitments reports reflect giving data for a specific fiscal year only (July 1 to June 30).
- b. Fiscal Year Received reports reflect tangible asset transfers to the Foundation (e.g., outright cash gifts, pledge payments, realized planned gifts, and gifts-in-kind).
- c. New Fundraising Commitment reports reflect outright cash gifts, gifts-in-kind, and new pledges to the Foundation, including planned gift expectancies. These reports highlight the impact of donor commitments to the Foundation, including those that will be realized in the future.

#### **2. Campaign**

- a. Campaign reporting differs from fiscal year reporting in that fundraising totals span more than one fiscal year. Campaign gift counting parameters are recommended by the Foundation President and approved by the Foundation's Board of Directors, in conjunction with University leadership. Specifics for campaign counting will be defined during the planning phase of a campaign.

#### **3. Gift Recognition**

- a. University Advancement also produces reports demonstrating impact beyond the credit assigned to donors based on IRS regulations. These reports may include all of a donor's cash gifts, as well as pledges and soft credit contributions (e.g., donations through donor-advised funds, matching gift companies, and related family foundations). In addition, the face value of documented bequest intentions may be included regardless of the donor's age. These reports may be used to help determine donor eligibility for various forms of recognition (e.g., giving societies), among other purposes.

**C. Clarification on Differences between Financial Accounting and Reporting and Advancement Reporting**

1. University Advancement tracks all outright gifts, pledges, and planned gifts received. The intent of Advancement reporting is to reflect the total impact of fundraising efforts by representing all gifts, including the value of pledges and planned gifts, at both face and present values.
2. Gift revenue accounted for in the Foundation's financial accounting system and presented in the Foundation's audited consolidated financial statements is in accordance with US GAAP and may differ from gifts included in Advancement reporting for a number of reasons, including but not limited to: transfers of assets not recognized as gifts in the university's financial accounting system; gifts recognized in different periods than in Advancement reporting; and gifts reported at different amounts based on differing methodologies used to value gifts in the Foundation's financial accounting system and Advancement reporting.

**XVIII. Donor Control and Refunding Gifts**

- A. CASE Global Reporting Standards, 1<sup>st</sup> Edition, page 24 provides an overview of the issue of donor control as follows: A donor may express intent for the designation of a gift including general or specific purposes, which are consistent with the charitable purpose of the institution. A donor may not retain any explicit or implicit control over the use of a gift after acceptance by the institution.
  1. For clarification purposes, donors may not be included in the recipient selection process for scholarships, awards, fellowships, or professorships nor will they be included in the decision-making processes for capital project or current-use operating expenditures, as that would indicate retained control over the use of a gift.
- B. Gifts made to the Foundation are considered non-refundable. However, as noted in section IV. D., in cases where a gift is found to fail any of the gift acceptance criteria or in instances where not refunding a gift will cause significant damage to the reputation of the Foundation and/or the University, then exceptions may be made by the Foundation President in consultation with the President of the University and the Gift Acceptance Committee.

**XIX. CASE Statement of Ethics and Donor Bill of Rights**

**A. CASE Statement of Ethics**

Institutional advancement professionals, by nature of our responsibilities within the academic community, represent their schools, colleges, and universities to the larger society. We have, therefore, a duty to exemplify the best qualities of our institutions and to observe the highest standards of personal and professional conduct.

We conduct ourselves in a manner which is consistent with the best interests of the institution we represent.

Our words and actions embody respect for truth, fairness, free inquiry, and the opinions of others.

We promote the merits of our institutions, and of education generally, respecting both our colleagues and the mission of each institution.

We respect, celebrate, and include all individuals regardless of race, gender, sexual orientation, ethnicity, nationality, physical ability, or age. We uphold the professional reputation of colleague advancement professionals and give credit for ideas, words, or images originated by others.

We communicate clearly and fairly with others, remaining mindful of the importance of representing our institutions mission and interests.

We safeguard privacy rights and confidential information.

We do not grant or accept gifts or services for personal or individual professional gain, nor do we solicit or accept gifts or services for our institutions in which a higher public interest would be violated.

We avoid actual or apparent conflicts of interest and, if in doubt, seek guidance regarding how to proceed.

We report transgressions and/or unethical activities to the appropriate authority in order that the institution take the necessary action.

We bring abusive and/or harassing conduct to the attention of institutional leadership in order that individuals who have been subject to such abuse are protected.

We follow the letter and spirit of pertinent laws and regulations, understanding that those strictures might be different in other countries and cultures.

We align the policies and procedures of our department with those of other departments, in order that the institution can have a holistic and integrated approach to ethical conduct.

We observe these standards and others that apply to our profession and actively encourage colleagues to join us in supporting the highest standards of conduct.

*The CASE Board of Trustees adopted this Statement of Ethics to guide and reinforce our professional conduct. The Board adopted the final text on 12 March 2020. This Statement is meant to align with the CASE Principles of Practice for the professional areas as well as the CASE Zero Tolerance Pledge. CASE Global Reporting Standards, 1<sup>st</sup> Edition, page 7*



**B. Donor Bill of Rights**

Philanthropy is based on voluntary action for the common good. It is a tradition of giving and sharing that is primary to the quality of life. To assure that philanthropy merits the respect and trust of the general public, and that donors and prospective donors can have full confidence in the not-for-profit organizations and causes they are asked to support, we declare that all donors have these rights:

1. To be informed of the organization's mission, of the way the organization intends to use donated resources, and of its capacity to use donations effectively for their intended purposes.
2. To be informed of the identity of those serving on the organization's governing board, and to expect the board to exercise prudent judgment in its stewardship responsibilities.
3. To have access to the organization's most recent financial statements.
4. To be assured their gifts will be used for the purposes for which they were given.
5. To receive appropriate acknowledgment and recognition.
6. To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by law.
7. To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature.
8. To be informed whether those seeking donations are volunteers, employees of the organization or hired solicitors.
9. To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share.
10. To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.

*The text of this statement in its entirety was developed by the American Association of Fund-Raising Counsel (AAFRC), Association for Healthcare Philanthropy (AHP), Council for Advancement and Support of Education (CASE), and the Association of Fundraising Professionals (AFP), and adopted in November 1993.*

*CASE Global Reporting Standards, 1<sup>st</sup> Edition, page 6*

**XX. Policy Review**

- A. This policy should be reviewed and updated, as necessary, by the Office of University Advancement on an annual basis. Any updates/changes needed at that time should be reviewed and approved by the Foundation Board of Directors.
- B. This policy was adopted by the BGSU Foundation Board on April 22, 2022 and last reviewed on April 22, 2022.

*Exceptions to the Foundation's Gift Acceptance, Counting, and Reporting Policy may be granted by the Foundation President or their designee(s), in consultation with the Foundation Board*